

basic definitions are set forth for ready reference in connection with the part's discussion of the various provisions in which they appear. These definitions and their application are further considered in other statements of interpretations to which reference is made, and in the sections of this part where the particular provisions containing the defined terms are discussed.

**§ 783.7 “Employer”, “employee”, and “employ”.**

The Act's major provisions impose certain requirements and prohibitions on every “employer” subject to their terms. The employment by an “employer” of an “employee” is, to the extent specified in the Act, made subject to minimum wage and overtime pay requirements and to prohibitions against the employment of oppressive child labor. The Act provides its own definitions of “employer”, “employee”, and “employ”, under which “economic reality” rather than “technical concepts” determines whether there is employment subject to its terms (*Goldberg v. Whitaker House Cooperative*, 366 U.S. 28; *United States v. Silk*, 331 U.S. 704; *Rutherford Food Corp. v. McComb*, 331 U.S. 772). An “employer”, as defined in section 3(d) of the Act, “includes any person acting directly or indirectly in the interest of an employer in relation to an employee but shall not include the United States or any State or political subdivision of a State, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization”. An “employee”, as defined in section 3(e) of the Act, “includes any individual employed by an employer”, and “employ”, as used in the Act, is defined in section 3(g) to include “to suffer or permit to work”. It should be noted, as explained in part 791 of this chapter, dealing with joint employment, that in appropriate circumstances two or more employers may be jointly responsible for compliance with the statutory requirements applicable to employment of a particular employee. It should also be noted that “employer”, “enterprise”, and “establishment” are not synonymous terms, as used in the Act. An employer may have an enterprise

with more than one establishment, or he may have more than one enterprise, in which he employs employees within the meaning of the Act. Also, there may be different employers who employ employees in a particular establishment or enterprise.

**§ 783.8 “Person”.**

As used in the Act (including definition of “enterprise” set forth below in § 783.9), “person” is defined as meaning “an individual, partnership, association, corporation, business trust, legal representative, or any organized group of persons” (Act, section 3(a)).

**§ 783.9 “Enterprise”.**

The term “enterprise” which may, in some situations, be pertinent in determining coverage of this Act of employees employed by employers on vessels, is defined in section 3(r) of the Act. Section 3(r) states:

Enterprise means the related activities performed (either through unified operation or common control) by any person or persons for a common business purpose, and includes all such activities whether performed in one or more establishments or by one or more corporate or other organizational units including departments of an establishment operated through leasing arrangements, but shall not include the related activities performed for such enterprise by an independent contractor \* \* \*.

The scope and application of this definition is discussed in part 776 of this chapter and in §§ 779.200 through 779.235 of this chapter.

**§ 783.10 “Establishment”.**

As used in the Act (including the provision quoted below in § 783.11), the term “establishment”, which is not specifically defined therein, refers to a “distinct physical place of business” rather than to “an entire business or enterprise” which may include several separate places of business. This is consistent with the meaning of the term as it is normally used in business and in government, is judicially settled, and has been recognized in the Congress in the course of enactment of amendatory legislation (*Phillips v. Walling* 334 U.S. 490; *Mitchell v. Bekins Van & Storage Co.*, 352 U.S. 1027; 95 Cong. Rec. 12505, 12579, 14877; H. Rept.

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No. 1453, 81st Cong., 1st sess. p. 35). This is the meaning of the term as used in sections 3(r), 3(s), and 6(b) of the Act. An establishment may have employees employed away from the establishment as well as within it (H. Rept. No. 1453, supra).

### § 783.11 “Enterprise engaged in commerce or in the production of goods for commerce”.

Portions of the definition of “enterprise engaged in commerce or in the production of goods for commerce” (Act section 3(s)) which may in some situations determine the application of provisions of the Act to employees employed by employers on vessels are as follows:

(s) “Enterprise engaged in commerce or in the production of goods for commerce” means any of the following in the activities of which employees are so engaged, including employees handling, selling, or otherwise working on goods that have been moved in or produced for commerce by any person:

\* \* \* \* \*

(3) any establishment of any such enterprise \* \* \* which has employees engaged in commerce or in the production of goods for commerce if the annual gross volume of sales of such enterprise is not less than \$1,000,000.

\* \* \* \* \*

The application of this definition is considered in part 776 of this chapter.

### § 783.12 “Commerce”.

“Commerce” as used in the Act includes interstate and foreign commerce. It is defined in section 3(b) of the Act to mean “trade, commerce, transportation, transmission, or communication among the several States or between any State and any place outside thereof.” (For the definition of “State”, see § 783.15.) The application of this definition and the kinds of activities which it includes are discussed at length in part 776 of this chapter dealing with the general coverage of the Act.

### § 783.13 “Production”.

To understand the meaning of “production” of goods for commerce as used in the Act it is necessary to refer to

the definition in section 3(j) of the term “produced”. A detailed discussion of the application of the terms as defined is contained in part 776 of this chapter, dealing with the general coverage of the Act. Section 3(j) provides that “produced” as used in the Act “means produced, manufactured, mined, handled, or in any other manner worked on in any State; and for the purposes of this Act an employee shall be deemed to have been engaged in the production of goods if such employee was employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on such goods, or in any closely related process or occupation directly essential to the production thereof, in any State.” (For the definition of “State” see § 783.15.)

### § 783.14 “Goods”.

The definition in section 3(i) of the Act states that “goods”, as used in the Act means “goods (including ships and marine equipment), wares, products, commodities, merchandise, or articles or subjects of commerce of any character, or any part or ingredient thereof, but does not include goods after their delivery into the actual physical possession of the ultimate consumer thereof other than a producer, manufacturer, or processor thereof.” Part 776 of this chapter, dealing with the general coverage of the Act, contains a detailed discussion of the application of this definition and what is included in it.

### § 783.15 “State”.

As used in the Act, “State” means “any State of the United States or the District of Columbia or any Territory or possession of the United States” (Act, section 3(c)). The application of this definition in determining questions of coverage under the Acts’ definition of “commerce” and “produced” (see §§ 783.12, 783.13) is discussed in part 776 of this chapter, dealing with general coverage.

### § 783.16 “Wage”.

“Wage” paid to an employee is defined in section 3(m) of the Act to include “the reasonable cost, as determined by the Secretary of Labor, to